

REMARKS

Favorable reconsideration of this application in light of the following discussion is respectfully requested.

Claims 1-20 are pending in the present application. No new matter has been added.

By way of summary, the Official Action presents the following issues: Claims 1-20 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Down et al. (U.S. Patent No. 6,226,618, hereinafter Down) in further view of Kambayashi et al. (U.S. Patent No. 6,778,757, hereinafter Kambayashi).

REJECTION UNDER 35 U.S.C. § 103

The outstanding Office Action has rejected Claims 1-20 under 35 U.S.C. § 103 as being unpatentable over Down in further view of Kambayashi. The Office Action contends that Down discloses all of the Applicants' claimed features with the exception of authenticating a license management capability of a recording medium loaded to a vending apparatus... However, the outstanding Office Action cites Kambayashi as describing this more detailed aspect of the Applicants' claim advancement and states that it would have been obvious to one skilled in the art at the time the advancement was made to combine the recited references for arriving at the Applicants' claims. Applicants respectfully traverse the rejection.

Claim 1 recites, *inter alia*, an information vending apparatus including:

... usage condition generating means for generating usage conditions in response to a purchase selection of the information for sale;

...

authentication means for authenticating a license management capability of a portable recording medium directly or indirectly loaded on said information vending apparatus; and,

writing means for writing said purchase selection along with said usage conditions for said license management capability and said cryptographic key to said portable recording medium upon authentication.
(emphasis added)

Downs describes a digital content distribution platform (100). The platform enables content providers (101) to distribute content to customers via a transmission infrastructure (107) and hosting cite (111) (*See* Fig. 1D).¹ Specifically, content is packaged to form secure containers (SC) for delivery. For example, as outlined Downs at Steps 142-148 of column 19, a user purchasing a secure container initiates a series of communications to decrypt the secure container by accessing encryption keys of a clearing house (105) for obtaining a symmetric key for decrypting content. As such Downs describes creating a secure container including content and distributing the secure container to end-users via a network. The distribution of content of the license of the content to the end-user is operated separately.

As noted in the Official Action Downs does not disclose or suggest “authenticating a license management capability of a recording medium loaded to a vending apparatus in one of direct or indirect manners; and waiting a purchased selection to the portable recording upon authentication along with the usage license management capability and the cryptographic key graphically.”²

Kambayashi describes an information reproduction system in which content information is recorded to a recording medium such as a DVD-RAM or DVD-ROM. In order to reproduce the content information a license is purchased at the time of recording the content or a later time.³ The license for reproducing the content may include authentication information such as a code which is defined in advance to check with the encrypted license information has been properly decoded.⁴

Conversely, in an exemplary embodiment of the Applicants' invention, content is selected from a list of available content by a user via a vending apparatus. Upon selection of

¹ Downs at column 8, line 55 through column 9, line 3.

² See Official Action of June 19, 2006 at page 3.

³ Kambayashi, Figure 107: column 63, line 8-24.

⁴ Kambayashi, column 63, lines 46-53.

content for purchase, usage conditions are generated along with an encryption key for decrypting the encrypted, selected content. Upon authentication that a portable recording medium loaded to the vending apparatus employs a license management capability, the purchase selection, along with the cryptographic key, is recorded to the recording medium. In this way, the consumer can store the selected content from the vending apparatus by providing a recording medium compatible with a predetermined Digital Rights Management (DRM) format to the vending apparatus.⁵

A. THE FINAL REJECTION IMPROPERLY INTERPRETS KAMBAYASHI

The final rejection clearly bases the rejection of Claims 1-20 on a misinterpretation of the teachings and fair suggestions of Kambayashi beginning with the assertion at page 4, lines 4-14, of the final rejection that:

it would have been obvious to one of ordinary skill in the art at the time of the invention to modify a method for securely distributing data taught in '618 to include a means to authenticate a recording medium prior to copying data. One of ordinary skill in the art would have been motivated to perform such a modification to prevent illegal copying of data. See '649 (column 1, lines 37 et seq.)

This assertion includes the unwarranted assumption that Kambayashi somehow reasonably discloses that the authentication structure and functionality described in this reference somehow authenticates a recording medium with respect to its ability to provide a license management capability has recited in Claim 1 and any claim depending therefrom.

This is a clear misinterpretation of the Kambayashi reference. For example, while the motivation for protecting copywritten information cited by the examiner explains the reasons for providing a license in association with content to protect its reproduction, it by no means discloses or suggests that a recording medium in which the content and the license are provided to should be authenticated in advance to ensure that the recording medium supports

⁵ Application at Figs. 3 and 6, and associated description in the specification.

a licensing management capability. Clearly missing from the final rejection is any reasonable explanation as to how Kambayashi discloses or suggests this feature.

As well established by In Re Warner, 154 USPQ 173, 178 (C.C.P.A. 1967) that:

a rejection based on the section 103 clearly must rest on a factual basis, and these facts must be interpreted without hindsight reconstruction of the invention from the prior art. In making this evaluation, all facts, must be considered. The patent office has the initial duty of supplying the factual basis. It may not, because it may doubt that the invention is patentable, resort to speculation, unfounded assumptions, or hindsight reconstruction to supply deficiencies in its factual basis. With further regard to the clear lack of this required factual basis and interpretation free from an improper hindsight reconstruction, the case of In Re Rijckaert, 28 U.S.P.Q.2d 1955, 1957 (Fed. Cir 1993) is believed to be further relevant as it prohibits the PTO from attempting to supplement actual facts to be found in a reference and requires the PTO to indicate where the actual reference teachings relied upon can be found in that reference. Consequently, the Examiner should point to where the disclosure of an authentication of a recording medium can be found in Kambayashi.

As neither Downs nor Kambayashi alone or in combination disclose or suggest an authentication unit configured to authenticate a license management capability of a portable recording medium directly or indirectly loaded on the information vending apparatus and a writing unit configured to write a purchase selection along with usage conditions for the licensing management capability and a cryptographic key to the portable recording medium upon authentication, as recited in Claim 1, and any claim depending therefrom, Applicants respectfully request the rejection of Claims 1-29 under U.S.C. § 103 be withdrawn.

CONCLUSION

Should the Examiner continue to disagree with the above distinctions, Applicants respectfully request that the Examiner provide an explanation via Advisory Action pursuant to MPEP § 714.13 specifically rebutting the points raised herein for purposes of facilitating the appeal process.

Please note in accordance with the discussion herein, should the rejections in the Official Action of June 19, 2006 be maintained, Applicants intend to request a Pre-Brief

Appeal Conference in accordance with the pilot program outlined in the Official Gazette
Notice of July 12, 2005.

Consequently, in view of the foregoing remarks, it is respectfully submitted that the
present application, including Claims 1-20, is patentably distinguished over the prior art, in
condition for allowance, and such action is respectfully requested at an early date.

Respectfully submitted,

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